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THE WHITE HOUSE

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August 4, 1983

MEMORANDUM FOR THE HONORABLE DONALD T. REGAN
Secretary of the TreasurySUBJECT: Recommendation for Elimination of Validated
Licensing Requirement for Export of Pipelayers
to USSR (S)

Secretaries Shultz and Baldrige have forwarded to me a memorandum on the above subject which I have discussed with the President. It properly belongs in the SIG-IEP. In addition to thorough examination of the arguments in favor and opposed to the recommended action, consideration of lifting the validated licensing requirement for export of Caterpillar pipelayers to the USSR cannot be divorced from a number of other important related issues with national security implications. These issues include: potential public perception of a signal being sent to the USSR on the heels of the announced LTA and willingness "in principle" to enter into negotiations on the Polish debt; ability to hold our positions concerning the EAA renewal; potential impact on the COCOM exercise examining multilateral controls on oil and gas equipment; and overall positive momentum of our East-West economic work programs. The President therefore believes that a comprehensive review of these implications, as well as the relative merits of the case be undertaken and that all relevant agencies have the opportunity to express their views. (S)



William P. Clark

cc: The Vice President
The Secretary of State
The Secretary of Energy
The Secretary of Defense
The Secretary of Agriculture
The Secretary of Commerce
The Director, Office of Management and Budget
The Director of Central Intelligence
The United States Trade Representative
The Assistant to the President for Policy Development
The Chairman, Council of Economic Advisers

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